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The Director of Central Intelligence
Washington, D.C. 20505

NIC #06609-84
23 November 1984

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence
SUBJECT: East Asia Warning and Forecast Meeting

1. Representatives of the Intelligence Community met on 14 November 1984 to consider the attached subjects.

2. Next month's Warning-and-Forecast Meeting will be 19 December 1984 at 1400 hours in room 7E62 CIA Headquarters. Recommendations for discussion/warning topics should be forwarded to the NIO/EA by COB 7 December 1984. I would advise those attending from outside agencies to arrive early to avoid parking problems created by the construction work. For your convenience, please enter the compound through Gate 1, the Route 123 entrance. Please phone attendance intentions to [redacted] and have your clearances verified to us by your Security Office by COB 17 December 1984.

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[redacted]
Assistant National Intelligence Officer
for East Asia

Attachment:
East Asia Warning and Forecast Report

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14 November 1984 East Asia Warning Meeting

Opening Remarks

The Assistant NIO opened the meeting with a review of events that had been the subject of policymakers' concern during the past month. Next, warning meeting objectives of forecast and identification of collection shortfalls were reaffirmed to attendees.

North/South Korea Talks

The North's motivations stem from their recognition that they have fallen behind the South economically and politically and that the recent attention focused on the peninsula by China, the USSR, Japan and the US could work to the North's disadvantage. Accordingly, to avoid being upstaged by the larger powers and to avoid complications in Kim Il-song's intended transfer of power to his son, the North has taken the initiative in these talks. The North will build on the positive results of their flood relief to the South and attempt to use the talks to build a reputation as a reasonable international power with other countries. They probably believe this approach has already been successful as evidenced by the lifting of the Japanese trade sanctions imposed following the Rangoon bombing. Nevertheless, the North still faces an uphill battle in moderating the South's suspicion. Thus, in the opening stages, there will be a good deal of posturing by both parties as they both attempt to gain value from the talks. Despite the North's apparent frustration over President Reagan's reelection and resultant reaffirmation of US support for the South, we expect that the North will persevere in this effort. During an earlier campaign of reconciliation, they persevered for over two years, 1971 to 1973. We would expect to see the same perseverance this time.

Forecast

The North and the South will keep the talks discreet; trade, Red Cross affairs, the Olympics will each be handled separately with as little mingling of the issues as possible. The North will, if required, give modest quids in order to keep the talks going. Although the North probably wants to derail the "88" Olympics in Seoul and embarrass the South, they will in the short term press to co-host the Olympics and offer other inducements to get some piece of the action and the international recognition that would accompany. The North's interest in collaborative development projects and the South's primary interest in North-South trade probably will complicate efforts at reaching specific arrangements for economic cooperation.

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Philippine Armed Forces - Who's in Charge

Changes in Philippine Armed Forces leadership thus far have been superficial. Despite Ver's leave of absence as chief of staff and his formally stepping down as head of the national intelligence and security authority, his access remains and his authority, albeit behind the scenes, is openly acknowledged. The expectation that this situation may continue indefinitely cannot be ruled out. Ver, on one occasion, said that his leave as chief of staff could last until the 1987 elections. We expect Marcos to keep a firm handle on Ramos rather than allowing him to gain power at Ver's expense. Already there are rumors that Ramos is unwilling to accept this condition and may, himself, retire rather than remain as a powerless figure head. The potential for conflict over leadership in the Philippine Armed Forces is growing.

Marcos, if he hopes to keep all his options open for the 1987 election campaign, need a reliable military, led by a close ally. Marcos appears to be aware of public dissatisfaction with General Ver but unaware of the strength of dissatisfaction with Ver inside the Philippine Armed Forces. Not only is this dissatisfaction with General Ver growing, his supporters in the armed forces continue to dwindle, and there is open talk of a post-Ver era.

Forecast

Marcos will continue to exercise control over the Armed Forces by controlling promotion and assignment within the officer corps through either Ver or another handpicked successor. We expect no improvement in the counterinsurgency program as long as this situation persists.

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Kampuchean Dry Season Campaign, Outlook

Aggressive Vietnamese action during the past wet season has curtailed resistance activities in the interior of Kampuchea, especially by the non-communists. Chronic ammunition shortages and leadership shortcomings continue to hamper non-communist faction performance. DK activities in the interior also were curtailed by aggressive Vietnamese operations; however, as the season wore on the DK did mount attacks on rail lines. These attacks, while successful, did little to disrupt Vietnamese logistical preparations for the upcoming dry season campaign. The result is that Vietnam is in a much more favorable position for this campaign and could launch their offensive earlier than usual. In addition to their military preparations, Vietnam has been employing an extensive civilian work force along the Thai/Kampuchean border. This work force appears to be involved in construction to block insurgent access to the interior. Vietnam probably recognizes that it cannot completely destroy the DK and the non-communists; however, it clearly intends to prevent a recurrence of last year's disruptive resistance activities in the interior.

Forecast

We expect Hanoi's dry season operations to begin earlier, involve larger numbers of Vietnamese-Kampuchean forces, and possibly employ new weapons systems, such as Hind helicopters

The Vietnamese are unlikely to be deterred by Chinese action on the Sino-Vietnamese or the Sino-Laotian Borders. Some considerable degree of success is possible given the sleepy atmosphere on the non-communist bases through the wet season and the still fragmented nature of the non-communist resistance.

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